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Veronica L. Manolio
vmanolio@mf-firm.com

May 10, 2023

Mr. Paul Levine
Paul M. Levine, P.C.
8502 E. Via de Ventura, Suite 200
Scottsdale, Arizona 85258

Sent Via Email Only to:
plevine@pmlevinepc.com

Re: *Labor Smart, Inc. v. Jason Tucker, 22-cv-00357-JJT*

Dear Paul,

Thank you very much for your email yesterday and for broaching the topic of global resolution of claims. I note that your email talks about resolution between “[y]our clients” and Mr. Tucker and Mr. Pavlik. While you identify Labor Smart, Takeover Industries, and Mr. Pavlik giving you “authority” for the proposal, I have no idea if that is intended to include Messrs. Holley and McBride, individually. Likewise, I do not know who you mean when you claim you have been given authority from Labor Smart and Takeover Industries. There are now multiple sources of information about who has authority to speak for/control these two entities. Corporate registration documentation continues to show Toby McBride, Jason Tucker, and Joseph Pavlik as the Directors of Labor Smart, with Michael Costello remaining as the CEO, and it still shows Messrs. McBride, Holley and Pavlik as the Directors of Takeover Industries, Inc. On the other hand, documents from the Florida federal litigation (23-cv-60023-RS) show Messrs. McBride, Holley and Pavlik agreeing to “step down” from Officer positions of both Labor Smart and Takeover Industries, with Luis A. Sequeria, Manny Pacquiao, and Tom Zarro all being “added to the board of directors of Labor Smart and Takeover....”

As Judge Tuchi noted in the May 1st ruling (Doc. 129), nobody on your side has produced evidence of any “actual authority to sue on [Labor Smart’s] behalf.” *Id.* at p. 7. While that was sufficient to withstand a Motion to Dismiss, at some point Labor Smart will need to demonstrate who is running this litigation and/or approving the vast expense of multiple lawyers. For now, as Judge Tuchi recognized, your (collective) clients’ actions are suspect of “gamesmanship,” leaving everyone to see the “bizarre history” of the parties and positions at issue. *Id.* at p. 8.

Mr. Paul Levine
May 10, 2023
Page 2

Suffice it to say, my clients are not comfortable relying on any offers/proposals for settlement without knowing **precisely** who is included in your “authority.” Any type of global settlement would require inclusion of **all** the alleged officers/directors of both Takeover and Labor Smart to avoid future litigation about authority to settle claims.

Even if we were comfortable with **who** is making the current settlement offer, this letter is intended to address a more substantial issue – the implications of Rule 11 FRCP and 28 U.S. §1927 – on the existing/remaining claims in this lawsuit.¹ While I may be in touch to make a counteroffer, contingent upon **everyone** being included in the documents, the significant Rule 11/investigation issues need to be addressed independently now.

Background of this Request

As you know, Rule 11(b) requires attorneys to conduct “an inquiry reasonable under the circumstances” of a matter. Even an attorney like yourself, who did not originally file the Third Party Complaint (Doc. 67), which Judge Tuchi has now ruled is the operative “Amended Complaint” against the Tuckers (*see*, Doc. 129 at p. 12), has an ongoing duty to refrain from “later advocating” positions without making reasonable inquiry. Such an inquiry requires attorneys to assess the “evidentiary support” for factual contentions.

When you came aboard in January of this year as counsel for Takeover Industries, I immediately raised an issue with you that Takeover had “taken over [the Tuckers’] email accounts” at takeoverind.com, and that Toby McBride was using the Tuckers’ accounts to conduct business. We then spoke by phone, and I advised you of my fear that you were personally being used “as a pawn” to pursue pleadings filed before your involvement. While I did not mean to insult you, I implored you to review the Takeover accounting documents because you told me you did not have a clear understanding of the allegations in this suit. I offered for you to come to my office and retrieve “the FULL Takeover file” from me, but I then proceeded to send you everything I had by Dropbox per your request. On January 17th, you verified for me that you would download all the documents I provided and would “be in touch.” I explained how Takeover used an outside accounting/bookkeeping firm who maintained the financial records, and I provided you with contact information for Takeover’s outside General Counsel and Accountant.

¹ I will not repeat the contents of your email here, since I recognize that you sent the offer subject to Rule 408, FRE. On the other hand, this letter is sent pursuant to Rule 11 and U.S. §1927, and I specifically intend to rely on its contents if I need to file further pleadings/Motion(s) for Sanctions. Pursuant to Rule 11(c)(1) ARCP, this letter should be considered as the Tuckers’ “notice” that Rule 11(b) has been violated.

Mr. Paul Levine
May 10, 2023
Page 3

Since that time, you have represented to the Court that Takeover engaged in a “diligent” investigation into records of Labor Smart and Takeover. (Doc. 123 at pp. 8-9, Doc. 127 at pp. 8, 10). You represented repeatedly that your attempts to move forward as current counsel for Takeover and Labor Smart were based on the “diligent” investigations that had been conducted in the first few months of this year. *Id.*; *see also*, Doc. 123-1. Given those representations and the current stage of proceedings, I am specifically asking that you dismiss Claims I-III of the Amended Complaint, as any diligent investigation would have revealed that the fact allegations are undermined by the evidentiary support in your hands/at your disposal. To continue advocating these positions violates Rule 11(b)(2).

Specific Allegations/Claims at Issue

Again, please recognize that Judge Tuchi has now determined that Doc. 67 is proceeding as the operative/Amended Complaint against the Tuckers. Therefore, it is incumbent upon you (personally) to recognize the multiple allegations in that pleading that are demonstrably untrue. Because Messrs. McBride and Pavlik have now been voluntarily dismissed from the Amended Complaint, I ask you to assess Doc. 67 as if only asserted against Mr. Tucker.

Claim I

Boiled down to its simplest terms, “Claim I” asserts that Mr. Tucker caused:

1. Labor Smart to lose out on the benefits of Mr. Holley’s experience “for the express purpose of obtaining [Holley’s] Series A Preferred Shares” for his own benefit. Doc. 67 at ¶¶66.

2. Labor Smart’s failure to pay taxes in Wyoming, which caused Wyoming to administratively dissolve Labor Smart’s good standing in that state. *Id.* at ¶67.

3. Labor Smart to spend “Company resources” on the “independent investigation” that led to the lawsuit. *Id.* at ¶69.

4. Labor Smart to spend “corporate resources” on the “Ultra Virus Acts” of removing Mr. Holley as a Director of Labor Smart. *Id.* at ¶70.

As a result, Labor Smart seeks damages for the corporate resources that it expended on these activities. *Id.* at ¶71.

Mr. Paul Levine
May 10, 2023
Page 4

As counsel for Labor Smart, you are undoubtedly aware that Labor Smart has never been registered to do business in Wyoming under Mr. Tucker's time/involvement in the Company. *See, Exhibit 1* – Wyoming Secretary of State documentation for Labor Smart. Labor Smart was a Wyoming entity before Takeover “purchased” that entity, and well before Mr. Tucker was involved. The Amended Complaint explains that Messrs. Holley, McBride and Pavlik had acquired Labor Smart “on July 14, 2021,” prior to the time that Mr. Tucker was a shareholder or director. Doc. 67 at ¶¶26-33. On July 14, 2021, Holley, McBride and Pavlik accepted \$500,000 from “Labor Smart’s former CEO” leaving Labor Smart with no other business operations (besides running Takeover). *Id.* at ¶38. At the time of that purchase, the Wyoming Labor Smart entity was already on notice of a “Delinquency” for 2021 Taxes that were unpaid as of January 2021. *See, Exhibit 1*. The initial filings in Wyoming list Mr. Pavlik as Labor Smart’s President/Director, since my client was not even involved with Labor Smart at that time. *Id.*

On September 27, 2021, Labor Smart “reinstated” itself as a Nevada entity, listing a Cave Creek, Arizona address for the entity. *See, Exhibit 2*. As of that date, Labor Smart made it clear to the world its intent was to “REINSTATE” itself as a Nevada entity. *Id.* By the time Mr. Tucker was appointed to the Board of Directors of Labor Smart, he properly filed the 2022 Nevada registration (and paid the significant registration fees) for the Nevada entity. *Id.*

By every pleading/allegation/account of evidence, Mr. Tucker was not involved in the transfer of Takeover acquiring Labor Smart. *Id.* (Doc. 67) at ¶¶26-38. Anything and everything to do with Labor Smart prior to September 2021 was before Mr. Tucker’s involvement with the Company, and he cannot be blamed for the Wyoming registration and/or alleged tax deficiency that occurred before his knowledge/involvement.²

Moreover, you/Labor Smart now know that nobody ever transferred any of the “Series A Preferred Shares” in Labor Smart, as was alleged. Mr. Holley still maintains those shares as of today. You also understand that Mr. Holley has been “reinstated” as a Director of Labor Smart, so the Company can no longer argue damages from losing his “decades of management experience in the beverage industry.”

² It is also worth noting that the “Delinquency” is a mere \$50 Tax Fee due to Wyoming. While the Amended Complaint suggests some damage based on the “administrative action” taken by Wyoming, please know this is not a true issue. Paperwork and a few hundred dollars could cure the administrative dissolution by Wyoming.

Mr. Paul Levine
May 10, 2023
Page 5

Regardless what Mr. Canini believed in September 2022 when he filed Doc. 67 on behalf of Michael Holley, you now have information and documentation to know more than he did. By this time, you have **definitive** proof in-hand that: a) Mr. Tucker was not an Officer of Labor Smart who failed to pay Wyoming taxes (nor has that caused any actual damage to Labor Smart); b) Labor Smart (in its current iteration) has always been registered as a Nevada entity, and Mr. Tucker properly maintained the Nevada registration; c) nobody transferred Mr. Holley’s “Series A Preferred Shares” in Labor Smart to anyone else and/or took these shares from Mr. Holley; and, d) Mr. Holley remains a current Director of Labor Smart. Therefore, the allegations in Claim I are either false and/or they fail to state any cause of action against Mr. Tucker for which relief could be granted.

Claims II-III

Claims II and III are based on identical factual allegations, though one claim asserts a Breach of Fiduciary Duty and the other asserts Conversion. These allegations are that Mr. Tucker sold shares of Labor Smart to Luis Sequeria (and/or his affiliates) in late 2021 and: a) he directed that Mr. Sequeria pay him, personally, rather than pay Labor Smart; and b) he “withheld” \$75,000 of the purchase price. Doc. 67 at ¶¶73-75, 79-80, 83-84.

Contrary to these allegations, accounting evidence in your possession proves that:

1. Mr. Tucker directed Luis Sequeria to pay the “Private Placement” funds to CFP, Mr. Tucker’s separate/consultant entity that was working to assist Takeover while “Holley became severely ill with COVID-19 and was hospitalized for a prolonged period.” Doc. 67 at ¶40-42. At that time, only Mr. Holley had access to Takeover’s banking, but outstanding liabilities were due, and Mr. Tucker stepped in to assist. *See, e.g.*, Doc. 2-1.
2. The \$75,000 is properly accounted for/listed in the books of Takeover:
 - a. The original amount was paid to CFP on 11/2/21.
 - b. On 11/5/21, CFP transferred \$25,000 into Takeover’s account to ensure payment of any liabilities that would be automatically debited from Takeover;
 - c. On 11/18/21, CFP paid \$10,000 to VGC Capital to investigate/provide an Accounting of the funds of Takeover;
 - d. On 11/22/21, CFP paid \$25,000 to Nappy Boy Entertainment (T-Pain) for the contractual obligation owed by Takeover; and
 - e. On 11/24/21, CFP transferred the remaining \$15,000 back into Takeover’s primary account. *See Exhibit 3.*

Mr. Paul Levine
May 10, 2023
Page 6

Although I provide you with Mr. Tucker's copies of documentation (Exhibit 3), Takeover already possesses the banking records and bookkeeping and has had access to these same findings for months now. More importantly, Mr. Tucker has personally discussed this claim of "conversion" with both Tom Zarro and Luis Sequeria (recently) and has personally walked them through the documentation to prove where the \$75,000 was provided to Takeover/for Takeover. Mr. Sequeria has repeatedly confirmed that he knew his original "placement" fee was being paid into CFP/Mr. Tucker's Company rather than into Takeover. Mr. Sequeria agreed to make this transfer to CFP to assist Mr. Tucker while Mr. Tucker was trying to keep Takeover running/operational during Mr. Holley's illness and eventual hospitalization. Mr. Sequeria offered to provide a Declaration to this effect, confirming that there was nothing nefarious nor clandestine about where Private Placement funds were sent. So, in addition to reviewing the attached documents and verifying these payments against Takeover's own accounting/financial documents, I urge you to speak with Messrs. Sequeria and Zarro, who appear to be part of Labor Smart's Board.

I recognize that your Amended Complaint alleged \$75,000 was withheld, but your PAC suggested that Mr. Tucker only "failed to deliver \$55,000" to Takeover. Regardless which version you intend to pursue, undisputed evidence in Takeover's possession proves that Mr. Tucker turned over all funds that were for Takeover's benefit.

On the other hand, evidence in Takeover's possession also demonstrates that Takeover owes Mr. Tucker/his entity more than \$150,000 for unpaid invoices during the time he performed work as Takeover's President. You have undisputed testimony from your own clients/client representatives demonstrating that Mr. Tucker was to be paid \$20,000 per month during his tenure as President. By the end of 2021, Takeover had fallen in arrears, and Takeover's auditors confirmed that there was \$60,000 outstanding/ unpaid to Mr. Tucker as of December 31, 2021. *See, Exhibit 4.* (Please also note this audit of the financial statements was requested by Toby McBride, not by Mr. Tucker.) In 2022, the unpaid invoices grew by an additional \$100,500. *See, Exhibit 5.* Even when the current "Board" – Messrs. Holley, McBride and Pavlik – held their Board Meeting in November of last year and voted to put themselves back in power and "suspend" Mr. Tucker, they agreed he would continue to be paid. *See, Exhibit 6.* They extended the paid suspension through December 2022. *See, Exhibit 7.* Of course, Mr. Tucker was never paid an additional penny from Takeover. (*See, Exhibit 5* – the last payment was made in September 2022.)

Mr. Paul Levine
May 10, 2023
Page 7

Although Claims II and III may be sufficiently stated to survive a Rule 12(b)(6) motion, you have enough information in-hand now to know that advancing these claims would be on false allegations. If I am forced to file an Answer on these Claims II and III, I will also seek offset/recoupment of the \$160,500 that is still owed to Mr. Tucker. (Likewise, there are unpaid fees/monies for services rendered by *Mrs.* Tucker, which I am still evaluating as part of an Answer or Counterclaim). However, I would still seek sanctions for advancing Claims II and III for the failure to have investigated/cured the false pleadings at this early stage.

Conclusion

Paul, please know that I do not write this letter lightly. In 20+ years of litigating, this is one of a very few requests I have under Rule 11. I realize you came into this litigation after the stage had been set and parties were aligned (and then re-aligned), and I respect that you are in a difficult position. However, it is now incumbent upon you to do your own **personal** inquiry into the facts/allegations/evidence before advocating any positions that pre-date your involvement. I trust you will take such an inquiry to heart and will find that Claims I-III of the Amended Complaint should be dismissed voluntarily.

I want to give you an appropriate opportunity to consider this matter and discuss with your clients, but I also know that my responsive pleading is due next week. If you would like to stipulate to additional time, let me know. If you prefer I just file my responsive pleading, please let me know by Friday so I have time to complete the filing.

I remain open to any discussions you want to have, whether substantive or procedural. Please feel free to call me or email me any time.

Very sincerely,

Veronica L. Manolio

Veronica L. Manolio

EXHIBIT 1

**STATE OF WYOMING * SECRETARY OF STATE
BUSINESS DIVISION**

Herschler Bldg East, Ste.100 & 101, Cheyenne, WY 82002-0020
Phone: 307-777-7311 · Website: <https://sos.wyo.gov> · Email: business@wyo.gov

Filing Information



Please note that this form CANNOT be submitted in place of your Annual Report.

Name	LABOR SMART INC		
Filing ID	2020-000897752		
Type	Profit Corporation	Status	Inactive - Administratively Dissolved (Tax)

General Information

Old Name		Sub Status	Current
Fictitious Name		Standing - Tax	Delinquent
Sub Type		Standing - RA	Delinquent
Formed in	Wyoming	Standing - Other	Good
Term of Duration	Perpetual	Filing Date	01/30/2020 8:34 AM
		Delayed Effective Date	
		Inactive Date	03/11/2022

Share Information

Common Shares	14,800,000,000	Preferred Shares		Additional Stock	N
Par Value	0.0000	Par Value	0.0000		

Principal Address

3830 Price Rd
Gainesville, GA 30506

Mailing Address

3830 Price Rd
Gainesville, GA 30506

Registered Agent Address

No Agent
No Office
Cheyenne, WY 82001

Parties

Type	Name / Organization / Address	
<hr/>		

Notes

Date	Recorded By	Note
1/30/2020 8:39 AM	JORDYN.GRAY	Formed in Nevada on 05/31/2011, continued in Wyoming on 01/30/2020.

Filing Information



Please note that this form **CANNOT** be submitted in place of your Annual Report.

Name	LABOR SMART INC		
Filing ID	2020-000897752		
Type	Profit Corporation	Status	Inactive - Administratively Dissolved (Tax)

Most Recent Annual Report Information

Type	Amendment	AR Year	2021
License Tax	\$50.00	AR Exempt	N
AR Date	4/8/2021 4:03 PM		
Web Filed	N		

Officers / Directors

Type	Name / Organization / Address
President / Director	Joe Pavlik 1712 Pioneer Ave Ste 500 Cheyenne WY 82001

Principal Address	Mailing Address
1712 Pioneer Ave Ste 500 Cheyenne Cheyenne, WY 82001	1712 Pioneer Ave Ste 500 Cheyenne, WY 82001

Annual Report History

Num	Status	Date	Year	Tax
06124102	Original	03/02/2021	2021	\$50.00

Principal Address 1 Changed From: 3830 Price Rd To: 1712 Pioneer Ave Ste 500

Principal Address 3 Changed From: No value To: Cheyenne

Principal City Changed From: Gainesville To: Cheyenne

Principal State Changed From: GA To: WY

Principal Postal Code Changed From: 30506 To: 82001

06181179	Amendment	04/08/2021	2021	\$50.00
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Amendment History

ID	Description	Date
2022-003599395	Dissolution / Revocation - Tax	03/11/2022
	Filing Status Changed From: Active To: Inactive - Administratively Dissolved (Tax)	
	Inactive Date Changed From: No Value To: 03/11/2022	
2022-003569948	RA Resignation	02/16/2022
2022-003569946	Address Update	02/16/2022
	Principal Address 1 Changed From: 1712 Pioneer Ave Ste 500 To: 3830 Price Rd	
	Principal Address 3 Changed From: Cheyenne To: No value	

Filing Information



Please note that this form CANNOT be submitted in place of your Annual Report.

Name	LABOR SMART INC		
Filing ID	2020-000897752		
Type	Profit Corporation	Status	Inactive - Administratively Dissolved (Tax)

Principal City Changed	From: Cheyenne	To: Gainesville
Principal State Changed	From: WY	To: GA
Principal Postal Code Changed	From: 82001	To: 30506
2022-003523546	Delinquency Notice - Tax	01/02/2022
2021-003155850	Common Amendment	03/23/2021
2021-003151270	Change of Agent	03/12/2021
Registered Agent #	Changed	From: No Value To: 0196923
Registered Agent Organization Name	Changed	From: No Agent To: Capital Administrations LLC
Registered Agent Physical Address 1	Changed	From: No Office To: 1712 Pioneer Ave Ste 115
Registered Agent Physical City	Changed	From: No Value To: Cheyenne
Registered Agent Physical Postal Code	Changed	From: No Value To: 82001
2021-003134231	RA Resignation	02/27/2021
2021-003134206	Address Update	02/27/2021
Principal Address 1	Changed	From: 1712 Pioneer Ave Ste 500 To: 3830 Price Rd
Principal City	Changed	From: Cheyenne To: Gainesville
Principal State	Changed	From: WY To: GA
Principal Postal Code	Changed	From: 82001 To: 30506
2021-003096415	Delinquency Notice - Tax	01/02/2021
See Filing ID	Initial Filing	01/30/2020
Continued From	Changed	From: No Value To: Nevada
Formation Date	Changed	From: No Value To: 05/31/2011

EXHIBIT 2

FILING HISTORY**ENTITY INFORMATION****Entity Name:**

LABOR SMART INC

Entity Number:

E0308252011-7

Entity Type:

Domestic Corporation (78)

Entity Status:

Active

Formation Date:

05/31/2011

NV Business ID:

NV20111363274

Termination Date:

Perpetual

Annual Report Due Date:

5/31/2023

FILING HISTORY DETAILS

File Date	Effective Date	Filing Number	Document Type	Amendment Type	Source	View
05/31/2022	05/31/2022	20222356412	Annual List		External	
09/27/2021	09/27/2021	20211777621	Certificate of Reinstatement		External	
05/31/2016	05/31/2016	20160243797-11	Annual List		External	
02/29/2016	02/29/2016	20160094351-61	Amendment		Internal	
05/31/2015	05/31/2015	20150246044-58	Annual List		External	

File Date	Date	Filing Number	Document Type	Amendment Type	Source	View
02/17/2015	02/17/2015	20150070812-26	Amendment		Internal	
12/12/2014	12/12/2014	20140805143-98	Amendment		Internal	
10/06/2014	10/06/2014	20140703182-08	Certificate of Designation		Internal	
07/08/2014	07/08/2014	20140492812-43	Amendment		Internal	
03/03/2014	03/03/2014	20140156391-22	Annual List		External	

Page 1 of 1, records 1 to 10 of 10

FILING DATE SNAPSHOT AS OF: 05/31/2022

Business Details	Name Changes	Principal Office	Registered Agent	Officer Information
				
Date	Title	Name	Attention	Address1/Address2/City/State/Zip/Country
09/27/2021	Officer	Michael Costello		29455 N Cave Creek Road, Suite 118-525, Cave Creek, AZ, 85331, USA

Page 1 of 1, records 1 to 1 of 1

[Back](#)[Return to Search](#)[Return to Results](#)

STATE OF NEVADA

BARBARA K. CEGAVSKE*Secretary of State***KIMBERLEY PERONDI***Deputy Secretary for
Commercial Recordings*OFFICE OF THE
SECRETARY OF STATE*Commercial Recordings & Notary Division*

202 N. Carson Street

Carson City, NV 89701

Telephone (775) 684-5708

Fax (775) 684-7138

North Las Vegas City Hall

2250 Las Vegas Blvd North, Suite 400

North Las Vegas, NV 89030

Telephone (702) 486-2880

Fax (702) 486-2888

jason tucker

401 Ryland Street Suite 200-A
Reno, NV 89502, USA**Work Order #:** W2022053101062

May 31, 2022

Receipt Version: 1

Special Handling Instructions:**Submitter ID:** 524909**Charges**

Description	Fee Description	Filing Number	Filing Date/Time	Filing Status	Qty	Price	Amount
Annual List	Fees	20222356412	5/31/2022 10:15:51 AM	Approved	1	\$7000.00	\$7000.00
Annual List	Business License Fee	20222356412	5/31/2022 10:15:51 AM	Approved	1	\$500.00	\$500.00
Total							\$7500.00

Payments

Type	Description	Payment Status	Amount
Credit Card	6540173391926748503290	Success	\$7500.00
Total			\$7500.00

Credit Balance: \$0.00jason tucker
401 Ryland Street Suite 200-A
Reno, NV 89502, USA

STATE OF NEVADA

BARBARA K. CEGAVSKE

Secretary of State

**KIMBERLEY PERONDI**Deputy Secretary for
Commercial RecordingsOFFICE OF THE
SECRETARY OF STATE

Commercial Recordings Division

202 N. Carson Street

Carson City, NV 89701

Telephone (775) 684-5708

Fax (775) 684-7138

North Las Vegas City Hall

2250 Las Vegas Blvd North, Suite 400

North Las Vegas, NV 89030

Telephone (702) 486-2880

Fax (702) 486-2888

Business Entity - Filing Acknowledgement

05/31/2022

Work Order Item Number: W2022053101062 - 2158404**Filing Number:** 20222356412**Filing Type:** Annual List**Filing Date/Time:** 05/31/2022 10:15:51 AM**Filing Page(s):** 2**Indexed Entity Information:****Entity ID:** E0308252011-7**Entity Name:** LABOR SMART INC**Entity Status:** Active**Expiration Date:** None

Non-Commercial Registered Agent

JAY SMITH

4790 CAUGHLIN PARKWAY #387, RENO, NV 89509, USA

The attached document(s) were filed with the Nevada Secretary of State, Commercial Recording Division. The filing date and time have been affixed to each document, indicating the date and time of filing. A filing number is also affixed and can be used to reference this document in the future.

Respectfully,

The handwritten signature of Barbara K. Cegavske in black ink.

BARBARA K. CEGAVSKE
Secretary of State



BARBARA K. CEGAVSKE
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684-5708
 Website: www.nvsos.gov
www.nvsilverflume.gov

Annual or Amended List and State Business License Application



ANNUAL AMENDED (check one)

List of Officers, Managers, Members, General Partners, Managing Partners, Trustees or Subscribers:

LABOR SMART INC

NAME OF ENTITY

NV20111363274

Entity or Nevada Business
Identification Number (NVID)

TYPE OR PRINT ONLY - USE DARK INK ONLY - DO NOT HIGHLIGHT

IMPORTANT: Read instructions before completing and returning this form.

Please indicate the entity type (check only one):

Corporation

This corporation is publicly traded, the Central Index Key number is:

0001522469

Nonprofit Corporation (see nonprofit sections below)

Limited-Liability Company

Limited Partnership

Limited-Liability Partnership

Limited-Liability Limited Partnership

Business Trust

Corporation Sole

Filed in the Office of	Business Number
<i>Barbara K. Cegavske</i>	E0308252011-7
Secretary of State	Filing Number
State Of Nevada	20222356412
	Filed On
	05/31/2022 10:15:51 AM
	Number of Pages
	2

Additional Officers, Managers, Members, General Partners, Managing Partners, Trustees or Subscribers, may be listed on a supplemental page.

CHECK ONLY IF APPLICABLE

Pursuant to NRS Chapter 76, this entity is exempt from the business license fee.

001 - Governmental Entity

006 - NRS 680B.020 Insurance Co, provide license or certificate of authority number

For nonprofit entities formed under NRS chapter 80: entities without 501(c) nonprofit designation are required to maintain a state business license, the fee is \$200.00. Those claiming an exemption under 501(c) designation must indicate by checking box below.

Pursuant to NRS Chapter 76, this entity is a 501(c) nonprofit entity and is exempt from the business license fee.
Exemption Code 002

For nonprofit entities formed under NRS Chapter 81: entities which are Unit-owners' association or Religious, Charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C § 501(c) are excluded from the requirement to obtain a state business license. Please indicate below if this entity falls under one of these categories by marking the appropriate box. If the entity does not fall under either of these categories please submit \$200.00 for the state business license.

Unit-owners' Association Religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. §501(c)

For nonprofit entities formed under NRS Chapter 82 and 80:Charitable Solicitation Information - check applicable box

Does the Organization intend to solicit charitable or tax deductible contributions?

No - no additional form is required

Yes - the "Charitable Solicitation Registration Statement" is required.

The Organization claims exemption pursuant to NRS 82A.210 - the "Exemption From Charitable Solicitation Registration Statement" is required

****Failure to include the required statement form will result in rejection of the filing and could result in late fees.****



BARBARA K. CEGAVSKE
 Secretary of State
 202 North Carson Street
 Carson City, Nevada 89701-4201
 (775) 684-5708
 Website: www.nvsos.gov
www.nvsilverflume.gov

Annual or Amended List and State Business License Application - Continued

Officers, Managers, Members, General Partners, Managing Partners, Trustees or Subscribers:

CORPORATION, INDICATE THE CEO:

Michael Costello

Name

c/o Karish & Bjorgum 119 E. Union St., Suite B

Address

USA

Country

CA 91103

State Zip/Postal Code

CORPORATION, INDICATE THE DIRECTOR:

Toby McBride

Name

c/o Karish & Bjorgum 119 E. Union St., Suite B

Address

USA

Country

CA 91103

State Zip/Postal Code

CORPORATION, INDICATE THE DIRECTOR:

Jason Tucker

Name

c/o Karish & Bjorgum 119 E. Union St., Suite B

Address

USA

Country

CA 91103

State Zip/Postal Code

CORPORATION, INDICATE THE DIRECTOR:

Joseph Pavlik

Name

c/o Karish & Bjorgum 119 E. Union St., Suite B

Address

USA

Country

CA 91103

State Zip/Postal Code

None of the officers and directors identified in the list of officers has been identified with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct.

I declare, to the best of my knowledge under penalty of perjury, that the information contained herein is correct and acknowledge that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

X Jason Tucker

Signature of Officer, Manager, Managing Member,
 General Partner, Managing Partner, Trustee,
 Subscriber, Member, Owner of Business,
 Partner or Authorized Signer FORM WILL BE RETURNED IF

UNSIGNED

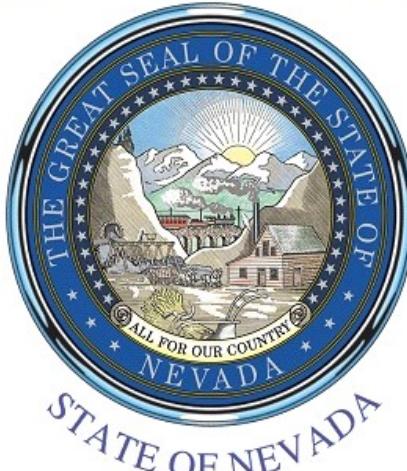
Director

Title

05/31/2022

Date

SECRETARY OF STATE



NEVADA STATE BUSINESS LICENSE

LABOR SMART INC

Nevada Business Identification # NV20111363274

Expiration Date: 05/31/2023

In accordance with Title 7 of Nevada Revised Statutes, pursuant to proper application duly filed and payment of appropriate prescribed fees, the above named is hereby granted a Nevada State Business License for business activities conducted within the State of Nevada.

Valid until the expiration date listed unless suspended, revoked or cancelled in accordance with the provisions in Nevada Revised Statutes. License is not transferable and is not in lieu of any local business license, permit or registration.

License must be cancelled on or before its expiration date if business activity ceases. Failure to do so will result in late fees or penalties which, by law, cannot be waived.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on 05/31/2022.

A handwritten signature in black ink that reads "Barbara K. Cegavske".

Certificate Number: B202205312706113

You may verify this certificate
online at <http://www.nvsos.gov>

BARBARA K. CEGAVSKE
Secretary of State

EXHIBIT 3

WELLS FARGO

BUSINESS CHECKING

Account
...6827
Routing numbers



Activity Summary

Ending collected balance as of 05/04/23

Current posted balance

Pending withdrawals/debits

Pending deposits/credits

Available balance

Monthly Service Fee Summary

Routing numbers



Activity

First
Previous
Next

Date	Description	Deposits/Credits	Withdrawals/Debits
ending Transactions			
No pending transactions meet your search criteria. Please try again.			
posted Transactions			
11/24/21	WT 211124-122376 BANK OF AMERICA, NE /BNF=Takeover Industries Inc SRF# OW00001784660638 TRN#211124122376 RFB# OW00001784660638		\$15,000.00
11/05/21	WT 211105-023739 BANK OF AMERICA, NE /BNF=Takeover Industries Inc SRF# OW00001739614791 TRN#211105023739 RFB# OW00001739614791		\$25,000.00
Totals		\$0.00	\$40,000.00

[Back to top](#)

First
Previous
Next

* Account Disclosures

Deposit products offered by Wells Fargo Bank, N.A. Member FDIC.

Equal Housing Lender

Confirmation



You successfully submitted your wire on 11/18/2021 at 08:06 am Pacific Time.

To

VGC Legal



United States

From	BUSINESS CHECKING ...6827 (Available balance [REDACTED])
Amount	\$10,000.00
Fees	\$30.00
Taxes	Local taxes may apply
Total from account	\$10,030.00
Send on ?	11/18/2021
Deliver by ?	11/18/2021
Memo	Takeover Industries Inc
Status	Pending
Confirmation number	OW00001770798847

[Go to Account Summary](#)[Send Another Wire](#)

RECEIPT

Date: November 22, 2021

INVOICE # 253849

To

Takeover Industries, Inc.
401 Ryland Street, Suite 200-A
Reno, Nevada, 89502
DB ID: Takeover

DESCRIPTION	AMOUNT DUE
Payment to Nappy Boy Gaming for Takeover Industries, Inc. obligations.	\$25,000
Pursuant to terms and conditions in September 9, 2021 Agreement between Takeover Industries, Inc. and Nappy Boy Entertainment, LLC f/s/o Faheem Rasheed Najm aka T-Pain	
TOTAL PAID	\$25,000

Note: See Attached Wire Confirmation. Paid from CFP Account on behalf of Takeover Industries. CFO did not make payment. \$25,000 remains outstanding and past due since October 9.

Confirmation



You successfully submitted your wire on 11/22/2021 at 07:03 am Pacific Time.

To

Nappy Boy Gaming



United States

From BUSINESS CHECKING

Amount \$25,000.00

Fees \$30.00

Taxes Local taxes may apply

Total from account \$25,030.00

Send on 11/22/2021

Deliver by 11/22/2021

Memo Takeover Industries Inc

Status Pending

Confirmation number OW00001778988047

Go to Account Summary

Send Another Wire

EXHIBIT 4

RELATED PARTY PAYABLE CONFIRMATION

March 23, 2022

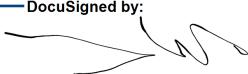
Name: **CFP**
Email: jason@battleshipstance.com

Our auditors, **BF Borgers CPA PC**, are engaged in an audit of our financial statements. In connection therewith, they desire that you furnish directly to them, in the space provided below, the amount of our liability to you (if any) as of **December 31, 2021** and a statement of our account as of that date.

After signing your reply, please mail it directly to BF Borgers CPA PC, 5400 W. Cedar Avenue, Lakewood, CO 80226 or email Nikita Sikarwar at nikita.sikarwar@bfbcpa.us

Thank you for your cooperation.

Sincerely,

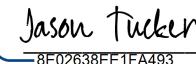
DocuSigned by:

C16132C28CFC4C4...

Signature

Toby McBride (CEO)
Takeover Industries Inc.

To be filled by the Respondent:

Takeover Industries Inc. owed us **\$ 60,000** as of **December 31, 2021** respectively.

Name and Title	Jason Tucker	President
Signature	DocuSigned by:  8E02638EE1FA493...	
Date	3/28/2022	

=====

EXHIBIT 5



INVOICE

Date: January 3, 2022

INVOICE # 253854

To

Takeover Industries, Inc.
401 Ryland Street, Suite 200-A
Reno, Nevada, 89502
DB ID: Takeover

DESCRIPTION	AMOUNT DUE
Day to Day Management Services – Monthly Fee - January 2022	\$20,000.00
To be made in two payments of 10,000 each.	
Cash portion only. Does not include stock and option guarantees.	
TOTAL DUE	\$20,000.00

Bank Name: Wells Fargo Bank

Address: 420 Montgomery Street, San Francisco, CA 94104

Beneficiary Name: CFP VENTURES, LLC

[REDACTED]

ACH:

[REDACTED]

Due in full upon receipt.

Thank you for your business!

TEL: [REDACTED]



INVOICE

Date: February 2, 2022

INVOICE # 253859

To

Takeover Industries, Inc.
119 E. Union St., Suite B
Pasadena, CA 91103
DB ID: Takeover

DESCRIPTION	AMOUNT DUE
Day to Day Management Services – Monthly Fee - FEBRUARY 2022	\$20,000.00
Payments ok.	
Cash portion only. Does not include stock and option guarantees.	
TOTAL DUE	\$20,000.00

Bank Name: Wells Fargo Bank

Address: 420 Montgomery Street, San Francisco, CA 94104

Beneficiary Name: CFP VENTURES, LLC

[REDACTED]

ACH:

[REDACTED]

Due in full upon receipt.

Thank you for your business!

TEL: [REDACTED]



INVOICE

Date: March 1, 2022
INVOICE # 253860
To
Takeover Industries, Inc.
119 E. Union St., Suite B
Pasadena, CA 91103
DB ID: Takeovver

DESCRIPTION	AMOUNT DUE
Day to Day Management Services – Monthly Fee - MARCH 2022	\$20,000.00
Payments ok.	
Cash portion only. Does not include stock and option guarantees.	
TOTAL DUE	\$20,000.00

Bank Name: Wells Fargo Bank

Address: 420 Montgomery Street, San Francisco, CA 94104

Beneficiary Name: CFP VENTURES, LLC

[REDACTED]

ACH:

[REDACTED]

Due in full upon receipt.

Thank you for your business!

TEL: [REDACTED]



INVOICE

Date: March 31, 2022
INVOICE # 253865
To
Takeover Industries, Inc.
119 E. Union St., Suite B
Pasadena, CA 91103
DB ID: Takeovver

DESCRIPTION	AMOUNT DUE
Day to Day Management Services – Monthly Fee - APRIL 2022	\$20,000.00
Payments ok.	
Cash portion only. Does not include stock and option guarantees.	
TOTAL DUE	\$20,000.00

Bank Name: Wells Fargo Bank

Address: 420 Montgomery Street, San Francisco, CA 94104

Beneficiary Name: CFP VENTURES, LLC

[REDACTED]

ACH:

[REDACTED]

Due in full upon receipt.

Thank you for your business!

TEL: [REDACTED]



INVOICE

Date: April 20, 2022
INVOICE # 253868A
To
Takeover Industries, Inc.
119 E. Union St., Suite B
Pasadena, CA 91103
DB ID: Takeovver

DESCRIPTION	AMOUNT DUE
Day to Day Management Services – Monthly Fee - MAY 2022	\$20,000.00
Payments ok.	
Cash portion only. Does not include stock and option guarantees.	
TOTAL DUE	\$20,000.00

Bank Name: Wells Fargo Bank

Address: 420 Montgomery Street, San Francisco, CA 94104

Beneficiary Name: CFP VENTURES, LLC

[REDACTED]

ACH:

[REDACTED]

Due in full upon receipt.

Thank you for your business!

TEL: [REDACTED]



INVOICE

Date: May 11, 2022
INVOICE # 253872
To
Takeover Industries, Inc.
119 E. Union St., Suite B
Pasadena, CA 91103
DB ID: Takeovver

DESCRIPTION	AMOUNT DUE
Day to Day Management Services – Monthly Fee - JUNE 2022	\$20,000.00
Payments ok.	
Cash portion only. Does not include stock and option guarantees.	
TOTAL DUE	\$20,000.00

Bank Name: Wells Fargo Bank

Address: 420 Montgomery Street, San Francisco, CA 94104

Beneficiary Name: CFP VENTURES, LLC

[REDACTED]

ACH:

[REDACTED]

Due in full upon receipt.

Thank you for your business!

TEL: + [REDACTED]



INVOICE

Date: June 17, 2022

INVOICE # 253877

To

Takeover Industries, Inc.
119 E. Union St., Suite B
Pasadena, CA 91103
DB ID: Takeovver

DESCRIPTION	AMOUNT DUE
Day to Day Management Services – Monthly Fee - JULY 2022	\$20,000.00
Payments ok.	
Cash portion only. Does not include stock and option guarantees.	
TOTAL DUE	\$20,000.00

Bank Name: Wells Fargo Bank

Address: 420 Montgomery Street, San Francisco, CA 94104

Beneficiary Name: CFP VENTURES, LLC

[REDACTED]

ACH:

[REDACTED]

Due in full upon receipt.

Thank you for your business!

TEL: [REDACTED]



INVOICE

Date: July 18, 2022
INVOICE # 253882
To
Takeover Industries, Inc.
119 E. Union St., Suite B
Pasadena, CA 91103
DB ID: Takeovver

DESCRIPTION	AMOUNT DUE
Day to Day Management Services – Monthly Fee - AUGUST 2022	\$20,000.00
Payments ok.	
Cash portion only. Does not include stock and option guarantees.	
TOTAL DUE	\$20,000.00

Bank Name: Wells Fargo Bank

Address: 420 Montgomery Street, San Francisco, CA 94104

Beneficiary Name: CFP VENTURES, LLC

[REDACTED]

ACH:

[REDACTED]

Due in full upon receipt.

Thank you for your business!

TEL: [REDACTED]



INVOICE

Date: August 16, 2022

INVOICE # 253887

To

Takeover Industries, Inc.

119 E. Union St., Suite B

Pasadena, CA 91103

DB ID: Takeover

DESCRIPTION	AMOUNT DUE
Day to Day Management Services – Monthly Fee - SEPTEMBER 2022	\$20,000.00
Payments ok.	
Cash portion only. Does not include stock and option guarantees.	
TOTAL DUE	\$20,000.00

Bank Name: Wells Fargo Bank

Address: 420 Montgomery Street, San Francisco, CA 94104

Beneficiary Name: CFP VENTURES, LLC

[REDACTED]

ACH:

[REDACTED]

Due in full upon receipt.

Thank you for your business!

TEL: [REDACTED]



INVOICE

Date: September 12, 2022

INVOICE # 253892

To

Takeover Industries, Inc.
119 E. Union St., Suite B
Pasadena, CA 91103
DB ID: Takeover

DESCRIPTION	AMOUNT DUE
Day to Day Management Services – Monthly Fee - OCTOBER 2022	\$20,000.00
Payments ok.	
Cash portion only. Does not include stock and option guarantees.	
TOTAL DUE	\$20,000.00

Bank Name: Wells Fargo Bank

Address: 420 Montgomery Street, San Francisco, CA 94104

Beneficiary Name: CFP VENTURES, LLC

[REDACTED]

ACH:

[REDACTED]

Due in full upon receipt.

Thank you for your business!

TEL: [REDACTED]



INVOICE

Date: November 18, 2022

INVOICE # 253903

To

Takeover Industries, Inc.
119 E. Union St., Suite B
Pasadena, CA 91103
DB ID: Takeover

DESCRIPTION	AMOUNT DUE
Day to Day Management Services – Monthly Fee – DECEMBER 2022 – NOVEMBER 2022	\$20,000.00
Payments ok.	
Cash portion only. Does not include stock and option guarantees.	
TOTAL DUE	\$20,000.00

Bank Name: Wells Fargo Bank

Address: 420 Montgomery Street, San Francisco, CA 94104

Beneficiary Name: CFP VENTURES, LLC

[REDACTED]

ACH:

[REDACTED]

Due in full upon receipt.

Thank you for your business!

TEL: [REDACTED]



INVOICE

Date: December 15, 2022

INVOICE # 253909

To

Takeover Industries, Inc.
119 E. Union St., Suite B
Pasadena, CA 91103
DB ID: Takeover

DESCRIPTION	AMOUNT DUE
Day to Day Management Services – Monthly Fee – JANUARY 2023 DECEMBER 2022	\$20,000.00
Payments ok.	
Cash portion only. Does not include stock and option guarantees.	
TOTAL DUE	\$20,000.00

Bank Name: Wells Fargo Bank

Address: 420 Montgomery Street, San Francisco, CA 94104

Beneficiary Name: CFP VENTURES, LLC

[REDACTED]

ACH:

[REDACTED]

Due in full upon receipt.

Thank you for your business!

TEL: [REDACTED]

WELLS FARGO

BUSINESS CHECKING

Account
...6827
Routing numbers



Activity Summary

Ending collected balance as of 05/05/23

Current posted balance

Pending withdrawals/debits

Pending deposits/credits

Available balance

Monthly Service Fee Summary

Routing numbers



Activity

First
Previous
Next

Date	Description	Deposits/Credits	Withdrawals/Debits
ending Transactions			
No pending transactions meet your search criteria. Please try again.			
posted Transactions			
08/29/22	WT FED#07896 BANK OF AMERICA, N /ORG=TAKEOVER INDUSTRIES INC SRF# 2022082900369442 TRN#220829086639 RFB# 402226064	\$5,000.00	
08/25/22	PAYPAL INST XFER 220825 TAKEOVERIND JASON TUCKER		\$42.00
08/22/22	TAKEOVER INDUSTR SENDER 220822 XXXXX1894 0000CFP VENTURES, LL		\$2,931.19
08/16/22	PAYPAL INST XFER 220816 TAKEOVERIND JASON TUCKER		\$61.72
07/18/22	WT FED#03001 BANK OF AMERICA, N /ORG=TAKEOVER INDUSTRIES INC SRF# 2022071800463703 TRN#220718149370 RFB# 396532936	\$20,000.00	
06/28/22	TAKEOVER INDUSTR SENDER 220628 XXXXX8830 0000CFP VENTURES, LL		\$2,752.85
05/27/22	WT FED#00050 BANK OF AMERICA, N /ORG=TAKEOVER INDUSTRIES INC SRF# 2022052700355248 TRN#220527096514 RFB# 389534502	\$20,000.00	
03/31/22	WT FED#01944 BANK OF AMERICA, N /ORG=TAKEOVER INDUSTRIES INC SRF# 2022033100589091 TRN#220331222349 RFB# 381559920	\$20,000.00	
03/14/22	WT FED#02268 BANK OF AMERICA, N /ORG=TAKEOVER INDUSTRIES INC SRF# 2022031400439415 TRN#220314134195 RFB# 379248510	\$10,000.00	
03/03/22	TAKEOVER INDUSTR SENDER 220303 XXXXX1840 0000CFP VENTURES, LL		\$10,000.00
02/25/22	TAKEOVER INDUSTR SENDER 220225 XXXXX7356 0000CFP VENTURES, LL		\$11,500.00
02/24/22	TAKEOVER INDUSTR SENDER 220224 XXXXX5928 0000CFP VENTURES, LL		\$250.00
02/23/22	PAYPAL INST XFER 220223 TAKEOVERIND JASON TUCKER		\$110.29
02/03/22	WT FED#08903 BANK OF AMERICA, N /ORG=TAKEOVER INDUSTRIES INC SRF# 2022020300313915 TRN#220203086252 RFB# 374030388	\$8,500.00	
01/11/22	TAKEOVER INDUSTR SENDER 220111 XXXXX9236 0000CFP VENTURES, LL		\$10,000.00
01/03/22	WT FED#09132 BANK OF AMERICA, N /ORG=TAKEOVER INDUSTRIES INC SRF# 2022010300362649 TRN#220103108519 RFB# 369867966	\$10,000.00	
Totals		\$130,934.04	\$214.01

[Back to top](#)

First
Previous
Next

* Account Disclosures

<https://connect.secure.wellsfargo.com/accounts>



EXHIBIT 6

WRITTEN CONSENT
BOARD OF DIRECTORS OF TAKEOVER INDUSTRIES, INC

The undersigned, constituting the Board of Directors of Takeover Industries, Inc., a Nevada Corporation (“Takeover”), does in lieu of convening a meeting hereby waive notice and approve and consent to the adoption of the following resolutions pursuant to N.R.S., 78.010 *et seq.*

WHEREAS, a special meeting of the Board of Directors of Labor Smart, Inc. (“LTNC”), Takeover’s parent corporation, was held on November 7, 2022.

WHEREAS, the Board of Directors of Takeover (the “Board”) was instructed by Resolution of the Board of Directors of LTNC to “meet immediately for the purpose of taking corrective action regarding the matters discussed at the November 7, 2022.” See Exhibit A.

WHEREAS, the Board has determined Jason Tucker has been untruthful to other Officers and Directors of Takeover concerning material information regarding investors, products, and sales, which is not in the best interests of Takeover;

WHEREAS, the Board has determined that Jason Tucker has acted in breach of corporate formalities and in breach of his fiduciary duties;

WHEREAS, the Board has determined Jason Tucker has instructed others at Takeover not to communicate with other Takeover Officers and Directors, which is not in the best interests of Takeover; and

WHEREAS, the Board has determined Jason Tucker has caused Takeover to fail to honor its contractual obligations, leading to potential, threatened, and/or actual claims and/or litigation against Takeover, which is not in the best interests of Takeover.

NOT THEREFORE, it is

1. **RESOLVED**, Jason Tucker is suspended from all position he holds at Takeover, including President for a period of thirty days, with pay, and his authority to act on behalf of Takeover is in all aspects revoked during this period;
2. **RESOLVED**, Melissa Tucker is suspended from all her positions at Takeover for a period of thirty days, with pay, and her authority to act on behalf of Takeover is in all aspects revoked during this period;
3. **RESOLVED**, Jason and Melissa Tucker shall turn over to the Board all accounts, documents, passwords or other material belonging to Takeover;
4. **RESOLVED**, the Board shall conduct a review of Jason Tucker's actions from the period September 1, 2021 to the date hereof;
5. **RESOLVED**, the Board shall reconvene in thirty-days to discuss Jason Tucker's continuing with Takeover in any capacity;
6. **RESOLVED**, Joseph Pavlik is appointed interim President of the Company until the Board makes a determination with respect Jason Tucker;
7. **RESOLVED**, Toby McBride is reappointed as CEO of Takeover, and any leave of absence or revocation of his authority to act on Takeover's behalf his hereby terminated; and
8. **RESOLVED**, Veronica Manolio, counsel for Takeover, shall immediately turn over to the President and CEO, all contracts, documents, information, communications, passwords and financial accounts of Takeover.

IN WITNESS WHEREOF, the undersigned, being all of the Directors of the Company **Agreed, Approve and Adopt** the foregoing resolutions as of November 7, 2022.



Joseph Pavlik, Director



Michael Holley, Director, as to
Resolutions 1-7, and abstaining from
Resolution 8.



Toby McBride, Director, as to
Resolutions 1-6, and 8, and
abstaining from Resolution 7.

EXHIBIT 7

**Resolution of the Board of Directors
of
Takeover Industries, Inc.**

WHEREAS, a special meeting of the Board of Directors of Takeover Industries, Inc. (the “Company”) was held on December 6, 2022, and the following Directors appeared by conference call: Toby McBride, Michael Holley, and Joseph Pavlik. All Directors waived notice requirements for this meeting.

WHEREAS, the Board having previously been instructed on November 7, 2022, to “meet immediately for the purpose of taking corrective action regarding the matters discussed at the November 7, 2022” Board Meeting of Labor Smart Inc.;

WHEREAS, the Board met on November 7, 2022 and discussed corrective action, which included, among other things, misconduct of Jason Tucker as President of the Company;

WHEREAS, upon the Board’s resolution, Jason Tucker was suspended from his position as President of the Company for a period of thirty days, with pay, starting on November 7, 2022, and his authority to act on behalf of the Company was in all aspects revoked during this period;

WHEREAS, Jason Tucker was therefore requested on November 7, 2022 to turn over to the Board of Directors of the Company all accounts, documents, passwords or other material belonging to the Company, but only partially complied with this directive by turning over certain limited account information, and otherwise failed to comply;

WHEREAS, Jason Tucker’s non-compliance with the Board during this suspension period is interfering with Company operations;

WHEREAS, the Board of Directors has been conducting a review of Jason Tucker’s actions from the period September 1, 2021 to the date hereof;

WHEREAS, the Board of Directors requires additional time to complete its review of Jason Tucker’s actions from the period September 1, 2021 to the date hereof;

After discussion, the following resolutions were adopted.

RESOLVED, Jason Tucker's suspension from his position as President of the Company with pay, is hereby extended for an additional thirty days, and his authority to act on behalf of the Company remains revoked during this period;

RESOLVED, Jason Tucker must, to the extent he has not already done so, turn over to the Board of Directors of the Company all accounts, documents, passwords or other material belonging to the Company;

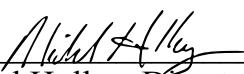
RESOLVED, the Board of Directors shall continue its review of Jason Tucker's actions from the period September 1, 2021 to the date hereof;

RESOLVED, the Board of Directors shall reconvene in thirty-days to discuss Jason Tucker's continuing as the Company's President;

IN WITNESS WHEREOF, the undersigned, being all of the Directors of the Company **Agreed, Approve and Adopt** the foregoing resolutions as of December 6, 2022.



Joseph Pavlik, Director



Michael Holley, Director



Toby McBride, Director